

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

June 22, 2021

FROM

GARY HALLEN, Director, Community Development and Housing

SUBJECT

Installation of Solar Energy Systems at the Renaissance Village Apartments and Valencia Vista Affordable Rental Housing Developments

RECOMMENDATION(S)

1. Approve National Community Renaissance of California's request to install a photovoltaic energy system at the Renaissance Village affordable housing development.
 2. Approve National Community Renaissance of California's request to install a photovoltaic energy system at the Valencia Vista affordable housing development.
- (Presenter: Gary Hallen, Director, 387-4411)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

This item will not result in the use of Discretionary General Funding (Net County Cost); any costs will be borne by the Developer.

BACKGROUND INFORMATION

Community Development and Housing (CDH), on behalf of the National Community Renaissance of California (National CORE and/or Developer, which may be used interchangeably), is seeking approval by the Board of Supervisors (Board) to install solar energy systems at the Renaissance Village and Valencia Vista Affordable Housing project sites. Currently neither project site has solar energy systems in place. To improve the energy efficiency of each project site and allow for the installation of these systems (which is scheduled for the summer of 2021), staff must secure Board approval to comply with Section 611 and Section 7.9 entitled "Amendments" in the Home Loan Agreements for each project site.

National CORE, the developer and property owner of Renaissance Village and Valencia Vista, has applied for and received financial assistance from:

- the Solar on Multifamily Affordable Housing (SOMAH) Program for the installation of photovoltaic (PV) energy systems (solar energy systems) on multifamily affordable housing units that delivers clean power and credits on energy bills,
- the Self-Generation Incentive Program (SGIP) for rebates for the installation of energy storage technology, and

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- Utilization of Virtual Net Metering (VNEM) to apply credits to the electric accounts on the property.

The Developer is requesting approval from the County to proceed with installation of the solar energy systems. It is anticipated that tenants will recognize a savings of \$1,604,673 (Renaissance Village - \$1,054,020 / Val 9 - \$550,653) in energy costs over a 20-year period.

The Developer is a full-service affordable housing and social service organization with a portfolio of nearly 9,000 affordable apartments in five states. The Developer has pledged to design and develop its communities to combat the effects of climate change. As part of its long-term plan, the Developer is in the process of installing solar panels at many of their communities, which is estimated to reduce the carbon footprint and address the negative effects of climate change by an additional 40%. Renaissance Village and Valencia Vista Affordable Housing are a part of that overall plan. Installation of solar energy systems at Renaissance Village and Valencia Vista is anticipated to begin in the summer of 2021 and be completed by Spring 2022.

Renaissance Village – Rialto, CA

Initially on May 3, 1994 (Item No. 9), the County loaned \$275,000 in U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program (HOME) funds to assist with the development of the Renaissance Village Affordable Housing project. The first amendment to the contract was approved by the Board on May 9, 1995 (Item No. 6), increasing the County loan to \$536,906. On September 14, 1999 (Item No. 50), a second amendment was approved by the Board for the purpose of adding Southern California Housing Development Corporation of the Inland Empire (SCHDCIE), a Community Housing Development Organization, as a “Designated Owner” and updating language in several sections of the agreement to meet HOME requirements. No changes were made to the terms and conditions of the loan agreement with approval of the second amendment. On July 8, 2014 (Item No. 24), Amendment No. 3 was approved amending the loan repayment terms.

The project consists of 144 units, all of which are affordable to households with incomes at or below 60% of the Area Median Income (AMI). These units will remain affordable until 2024. Amenities include an outdoor play area, a community center for resident services and events, a swimming pool a basketball court, onsite laundry facilities, and covered parking. In addition, the Housing Foundation offers an onsite after-school program for children and teens through the Hope program.

Valencia Vista Affordable Housing Development (Val 9 Apartments) – San Bernardino, CA

On March 3, 2015 (Item No. 24), the County loaned a total of \$810,000 HUD HOME funds to assist with the development of the Valencia Vista Affordable Housing project. On March 13, 2015 (Item No. 16), Amendment No. 1 was approved by the Board to allow the Borrower to modify the financing plan. The project consists of 76 high-quality affordable housing units serving families earning up to 60% AMI until 2072. Amenities include a 2,200 square foot community center, after-school program facilities, computer lab, fitness room, children’s play area, swimming pool, and outdoor gathering spaces. Social services are delivered onsite to provide residents the tools and support they need to move toward financial independence.

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Anticipated Benefits of Solar Installation

The projects and their residents would greatly benefit from the installation of solar panels; some of the benefits include, but are not limited to:

- Increasing the projects' cashflow through a reduction in operating expenses.
- Continuing the ability to maintain and complete basic capital improvements on the projects with the increased cashflow.
- Increasing housing affordability through cost savings for the tenants on their electricity bills; thereby, increasing housing stability and reducing turnover/ vacancy rates.
- Reducing exposure to rising utility rates through onsite energy generation with long-term, fixed electricity rates
- Improving the global environment by reducing the projects' carbon footprint and greenhouse gas emissions.

Approval of this item will allow the Developer to install the solar energy systems that will generate greater cashflow for the projects by reducing operating expenses. This will pass some of the cost savings to the tenants, thereby reducing their housing costs and increasing their housing stability. Finally, reducing the carbon footprints of the projects will ultimately have a positive environmental impact.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on May 26, 2021; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on May 27, 2021; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on June 7, 2021.

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 22, 2021



cc: File- Community Development and Housing
LA 06/24/2021